



April 21, 2017

Ex Parte Notice

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

RE: Connect America Fund, WC Docket No. 10-90

Dear Ms. Dortch:

On Thursday, April 20, 2017, the undersigned on behalf of Grand River Mutual Telephone Corporation ("GRM"), met with Alexander Minard, Katie King, and Suzanne Yelen of the Wireline Competition Bureau (the "Bureau") to discuss matters in the above-referenced proceedings.

The attached presentation was provided to the Bureau regarding the impact to GRM and their customers associated with the incorrect FCC Form 477 filing that was made by GRM in June 2015. The errors in this filing resulted in a loss of more than \$1M per year in ACAM support and therefore disallowed the needed support for more than 480 GRM customers.

Soon after the filing, GRM recognized the error and refiled the correct Form 477 data on September 23, 2015 and requested a waiver of the deadline from the FCC. The FCC rejected this waiver request. We are not asking that the FCC revisit this issue, but rather that the FCC consider providing support to these customers if additional money is allocated to fully fund the ACAM model. It was noted that the cost to provide broadband to these GRM customers, on average, is lower than the customers in the other customers if the model were to be fully funded.



Thank you for your attention to this matter. Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS.

Sincerely,

/s/ Larry D. Thompson

Larry D. Thompson

Vantage Point Solutions, Inc.

cc: Alexander Minard
Katie King
Suzanne Yelen



An Efficient Approach to Deploying Model Funding

EX PARTE DISCUSSION

FCC STAFF

APRIL 20, 2017

Background



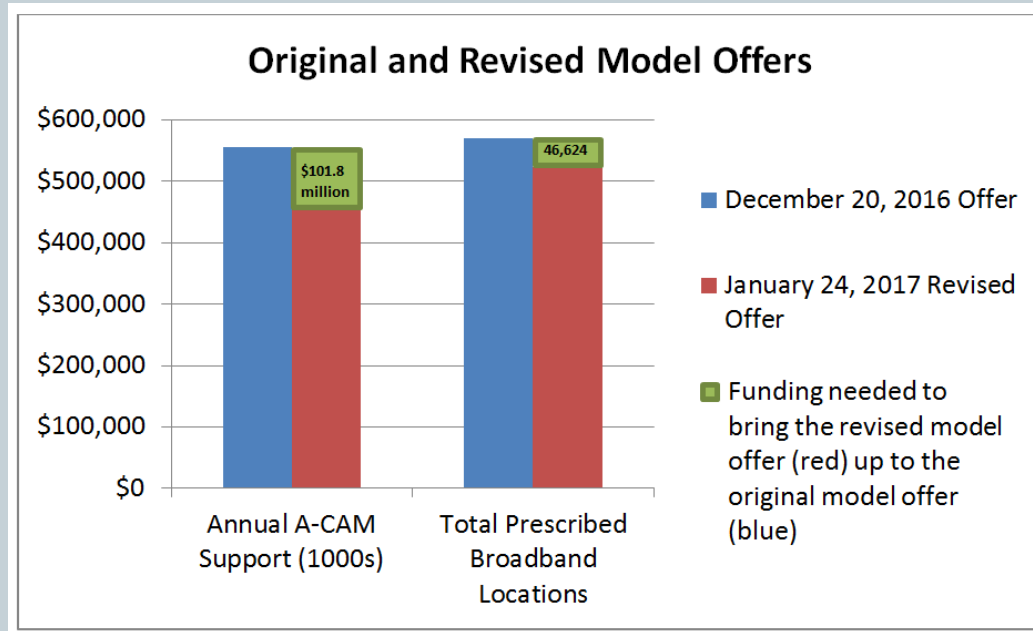
- Inaccurate information from a previous engineering consultant caused GRM to over-report more than 200 FTTP census blocks. Those census blocks were removed from model funding, reducing GRM's model offer by more than \$1 million annually.
- On September 21, 2016, GRM filed accurate June 2015 Form 477 data. On September 23, 2016, GRM requested a waiver of the Form 477 deadline. That waiver request was denied.
- Grand River Mutual is not attempting to re-litigate the Wireline Competition Bureau's legal decision on the waiver request.

A New Policy Decision: Investing CAF Reserves



- The FCC is considering whether to allocate additional funds to the model companies.
- The stated goals of RoR Reform include “distributing support . . . efficiently” and deploying broadband in a “cost effective” manner.
- Fully funding the original model offers is one reasonable way to meet those goals, but the FCC can also use accurate and on-file June 2015 Form 477 data and the A-CAM model to meet those goals in an even more effective way.

Efficient Broadband Deployment



- Fully funding the model offers spends \$100 million to increase the “prescribed buildout obligations” (4/1, 10/1, 25/3 requirements) by 46,000 locations.

Even More Efficient Deployment



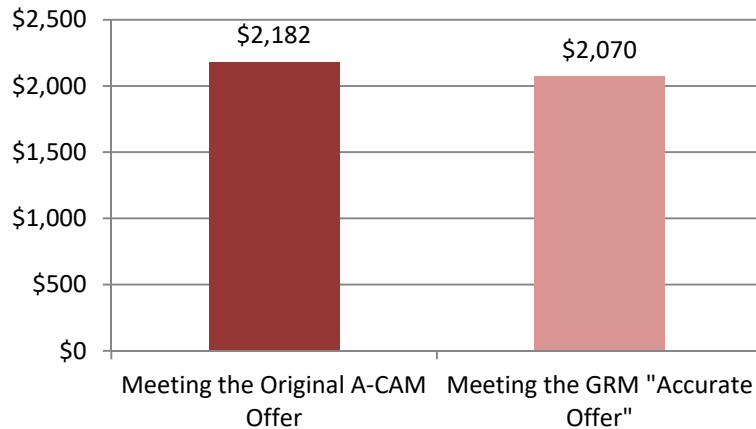
	Supplemental Support	New Prescribed Broadband Locations	Annual Cost Per Prescribed Location	New Prescribed Locations Per \$1 M
Meeting Original A-CAM Offer	\$101,752,476	46,624	\$2,182	458
Meeting GRM "Accurate Offer"	\$1,182,978	572	\$2,070	483

- Commenters seem to agree that fully-funding original model offers is an efficient allocation of USF funds. The FCC should also consider using accurate and on-file data to identify more efficient model-based investments, such as funding GRM's "accurate model offer."

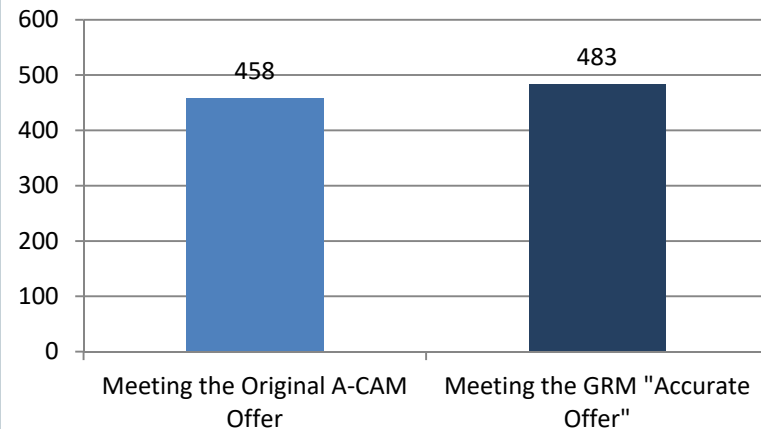
Even More Efficient Deployment



**Annual Cost Per
Prescribed Broadband Location**



**New Prescribed Broadband
Locations Per \$1 M**



- This approach allows the FCC to make even more progress on broadband deployment. It is “efficient” and “cost effective” and requires no new data collection. Accurate June 2015 Form 477 data is already on-file with FCC.



For more information, please contact:

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